

*Canadian Wheat Board Act*

on selling on the cash price basis. So this legislation meets the demand of those who believe that compulsory pooling is sound. It also meets the demand of the farmer who would like to have a little freedom to make his own decisions on when he buys and sells. This voluntary pooling allows for that.

I think the minister is quite right when he says that there has to be some discipline in the pool. In the first place the great danger with pooling is that you pay that initial price, and if the world price drops below that initial price for a good part of the crop marketing year, there could be tremendous losses. Therefore, there has to be some form of financial responsibility for that initial price, and this the government has assumed in this legislation, as I understand the minister.

That is why I said at the beginning that Her Majesty's Official Opposition approves of the principle. This plan would not work without that financial guarantee. Second, the permit book means that a contract is made and that the farmer knows that for that year he is in the pool. He cannot keep changing his mind every six weeks. That will cause a little bit of static because every so often the price is going to go soaring up. At that time he will want to be on the free market so that he can get the advantage of those soaring prices. However, once he signs with the pool and has his permit book, he is locked in for that year.

With those two points of discipline and the new features, as the minister calls them, I think these voluntary pools have a fairly good chance of working. I asked, because I did not know the answer, what about the financial responsibility beyond? As I read the legislation, the minister and the governor in council have to be assured that the plan proposed by the private company, the co-operative, by a group of them or by a new company, is soundly worked out so that they will be able to do the things that the pooling operation demands—pay their costs, pay the interest costs and all the rest of it—and then pay the amount which is left over on a fair basis to each of the members of that pool. Those who are not in the pool will take their chances. They will sell and take the price which is paid on the day they sell, so they will feel fairly satisfied.

There are a couple of other little points, but I think they are important. The development of rapeseed as a cash crop in western Canada has not only served the northern districts of our provinces well by providing them with a type of crop which does well in northern climates, where there is higher productivity but great risk because of the shortness of the season, but it has also met a great need all over the world. As I look over the various products which can be produced in the world, I do not find one of them which has a better future than oilseed crops, whether produced in Canada or any other place. As a matter of fact, I keep looking at the clay belt of northwestern Quebec and northeastern Ontario and wonder why all that good land lies idle when the world so desperately needs what that land can produce in the form of oilseeds. I look at other places in Canada and visualize the possibilities we have not only with rapeseed production but also with the other crops to produce the things Canada and the world need. This is not a

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

time for a long series of remarks on that. These items may be small today, but they are going to be big in the future.

I think I speak for my whole party when I say that the principles of this bill are good. We cannot say for sure that it will work perfectly because I can foresee the difficulties which are going to arise. I think the way the act is set up is sound. It meets the main difficulties. If we go into Committee of the Whole, I hope the minister will be able to respond to some of our doubts and questions about some of the clauses. All they can be at the present time are doubts and questions because we really do not know until the legislation has been tried.

I think this parliament would serve the country well by allowing this amendment to the Canadian Wheat Board Act to go forward, looking on it as a broadening of the activities of the Canadian Wheat Board, in keeping with a principle which I think is current with the majority of the farmers of western Canada. They want wheat kept as a compulsory pool, but on the other products they are of divided mind. I think this meets the demands of both sides of that argument. The argument is sincere and well discussed. It is not a question of something strange. Western producers know the arguments on both sides, and I think this is a pretty good effort to meet what the people want for this particular product, rapeseed.

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, the bill before us today, Bill C-34, is one which urban members might think is rather boring, but I want to start off by saying to them that if it were not for the oilseed industry and the grain industry in Canada, this country would be a net importer of food. If we took away the proceeds from oilseeds and grain, last year we would have had a deficit of some \$1.9 billion in food products, which is really quite startling for a country with the acreage and the small population we have. So one of the important industries we have is the oilseed and grain industry.

Bill C-34 amends the Canadian Wheat Board Act provisions dealing with oilseeds, particularly rapeseed. How that commodity is marketed is important to rapeseed producers. There have been many discussions and arguments for many years about rapeseed and how we should be marketing it. Voluntary pooling, which has not played a significant part in the prairie farm marketing system since 1931, may take on a major role in rapeseed markets under the proposed legislation we are talking about today.

On January 28, 1977 the minister responsible for the Canadian Wheat Board introduced Bill C-34 to provide for voluntary pooling of rapeseed and other non-board grains. The bill proposes changes to the Canadian Wheat Board Act to allow associations or firms of producers, processors or traders to set up voluntary pools approved by the minister and to receive federal government guarantees for 90 per cent of the initial payments against pool proceeds.

Other provisions in the bill amend the Western Grain Stabilization Act to bring commodities marketed through approved voluntary pools under that act. Although Bill C-34 allows for the implementation of voluntary pools for other non-board grains, government spokesmen have concentrated